HOUSE BILL No. 1081

DIGEST OF INTRODUCED BILL

Citations Affected: IC 36-1-3-8.5.

Synopsis: Municipal legal actions. Prohibits a municipal corporation, including a county, municipality, township, school corporation, or other separate local governmental entity that may sue and be sued, from bringing an action against a person for: (1) recovery of damages resulting from, or injunctive relief or abatement of a nuisance relating to, the lawful design, manufacture, marketing, sale, or use of a product or service; or (2) recovery of damages resulting from the criminal or unlawful misuse of a product or service by a third party. Allows a municipal corporation to bring an action against a person for recovery of damages for: (1) breach of contract or warranty concerning products or services purchased by the municipal corporation; (2) damage or harm to property owned or leased by the municipal corporation caused by a defective product or service; and (3) injunctive relief to enforce a valid statute, rule, or ordinance.

Effective: July 1, 2000.

Smith M

January 11, 2000, read first time and referred to Committee on Agriculture, Natural Resources and Rural Development.



Second Regular Session 111th General Assembly (2000)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in this style type, and deletions will appear in this style type.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or *this style type* reconciles conflicts between statutes enacted by the 1999 General Assembly.

HOUSE BILL No. 1081

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

Be it enacted by the General Assembly of the State of Indiana:

1	SECTION 1. IC 36-1-3-8.5 IS ADDED TO THE INDIANA CODE
2	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3	1, 2000]: Sec. 8.5. (a) Except as provided in subsection (b), a
4	municipal corporation may not bring an action against a person
5	for:
6	(1) recovery of damages resulting from, or injunctive relief or
7	abatement of a nuisance relating to, the lawful:
8	(A) design;
9	(B) manufacture;
10	(C) marketing;
11	(D) sale; or
12	(E) use;
13	of a product or service; or
14	(2) recovery of damages resulting from the criminal or
15	unlawful misuse of a product or service by a third party.
16	(b) Nothing in this section may be construed to prohibit a
17	municipal corporation from bringing an action against a person for



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(1) Breach of contract or warranty concerning a product or
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service purchased by the municipal corporation.
(2) Damage or harm to property owned or leased by the
municipal corporation caused by a defective product or
service.
(3) Injunctive relief to enforce a valid statute, rule, or
ordinance.

